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Kirkaldy, Adam Willis

Thr church and labour unrest

Birmingham

[1912]

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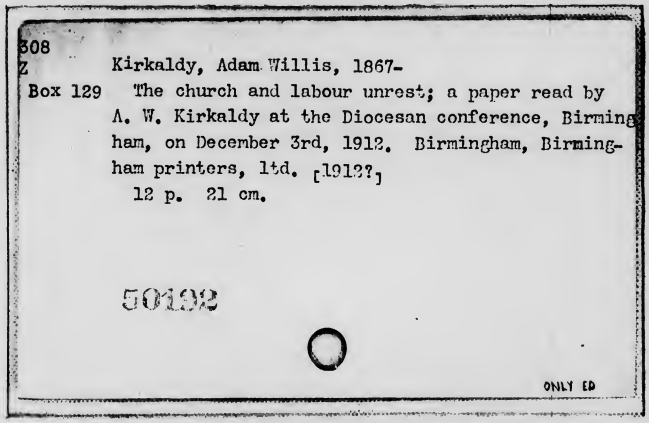

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THE CHURCH AND LABOUR UNREST

A PAPER READ BY
A. W. KIRKALDY, M.A.,
AT THE DIOCESAN CONFERENCE,
BIRMINGHAM,
On DECEMBER 3rd, 1912.

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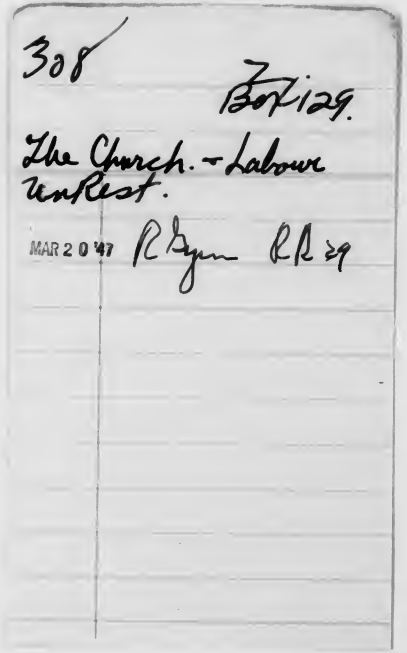


The Church and Labour Unrest.

A Paper read by A. W. Kirkaldy, M.A.,
at the Diocesan Conference, Birmingham,
December 3rd, 1912.

The subject we are to discuss is so large that in a short twenty minutes one can but mention a few points, and make one or two suggestions which seem of special importance—one must necessarily be sketchy. Further, in my opinion, a conference like this should try rather to keep to what is practicable than spend time on the wider problems.

At the outset it is well to be reminded that in connection with labour unrest there are at least three totally different sets of problems :—(i) Those connected with labour which is, on the whole, well employed, but which is dissatisfied with the conditions of employment ; (ii) There is the unemployment problem ; (iii) The problems connected with unemployables.

Is it a bad thing for either an individual man or a group of men to feel restless and dissatisfied ? This depends on the motives causing the unrest, and the methods which the man or group of men employ to obtain satisfaction. If the dissatisfaction be a healthy one great good may result ; but if unhealthy, if there be ignorance of real conditions and possibilities, if the dissatisfied group be unwisely led, then one can but expect disaster.

So far as one can judge, the present unrest in England is in the main healthy. In a book he recently published, Mr. Philip Snowden says : " Every sound economic reform brings great " moral advantages. The loss to an individual or to a class cannot " on the whole be a gain to the community. In no instance " is this so true as in the social loss which is suffered by the " neglect to apply sound economic and moral principles to the

" treatment of labour. It is the moral impulse which is moving, " not only the working class in their demands for better conditions, " but those of the middle and upper classes who are aiding that " movement. The labour unrest is not a desire for more wages " to spend in unworthy ways. It is the stirrings of a new life " among the people. It is a demand for life ; for more abundant " life. The justice of the workers' revolt should not be ignored, " sympathy with their condition should not be withheld, help " should not be refused to them, because their discontent some- " times expresses itself in ways which may not be approved."*

One may not, perhaps, accept all that is in Mr. Snowden's book, clear and temperate as is his statement of the case, but I think we can all accept what I have quoted. There is a great mass of our working population which has a healthy desire for improved conditions.

In this paper I shall confine myself to a brief consideration of the following :—

(*i*) *Wages and Profits*—high profits not necessarily made at the expense of labour.

(*ii*) *Wages and Prices*—high wages do not necessarily cause high prices.

(*iii*) What can the Church do ?

(*a*) Raise the standard of living.

(*b*) Make Christianity a reality.

(*c*) Improve Education.

(*i*) *Wages and Profits.*—One hears sometimes that the workers are dissatisfied because of the contrast between their wages and the great profits made by the employers ; the conclusion arrived at being that these profits are made at the expense of the worker. On consideration it is found that in one of the ordinary staple industries there may be many rates of profit. Where such an industry is carried on under *limited liability*, and so results are published, you will find that some companies hardly make any profit at all, some pay handsome dividends, and there is a

*" *The Living Wage," by Philip Snowden, M.P.—page* 167

graduated scale of profits between these extremes. And yet all these firms may be making similar things and working with Union labour. The fact then emerges that in such an instance profits are not made at the expense of the worker. The real cause of large profits is that the demand for the commodity in question is so great that employers of various degrees of efficiency are needed to supply the demand. The less efficient employers, who are generally sweaters, and have ill-equipped workshops, produce at a comparatively high cost, and it is **their* cost—*i.e.*, the cost of the most expensively produced goods—that fixes the market price. Moreover it is this that enables the highly efficient producer, who employs the best labour and has the best equipped factory, to make a large profit. To quote Mr. Snowden again : " Where wages are high there is economy of " organisation. As the payment of high wages necessitates high " mechanical equipment, perfect organisation, keen attention " to business, the compulsory payment of high wages would have " the effect of eliminating the small employer with inadequate " capital and inferior business ability. He is kept going now " only because he can exploit an inexhaustible supply of cheap " labour, which is subsidised by the community in innumerable " ways. The existence of this class of employer keeps down the " wages of the whole industry."† I would add to this that it also keeps prices higher to the consumer. If we could eliminate the inefficient employer, other things remaining constant, not only might wages rise, but prices* might be considerably reduced. It is incorrect then to generalise and say that profits are made at the expense of the worker ; indeed, Mr. Snowden himself rather admits this point (although it was not perhaps altogether his intention to do so) when he says :—" The profits of trade vary " enormously, not only as between trade and trade, but as between " year and year in the same trade. There is also this to remember, " that the profits of a firm may, when lumped in one sum, appear " enormous, but if that sum were divided in wages among the

* *Cf., Note* A *at end.* † *The Living Wage—page* 147.

" workmen it would represent but a small amount of increase."* If you examine some businesses working on co-partnership principles, where quite a substantial sum is allotted as the workers' share of the year's profits, yet when this is divided up, each man's share looks almost ridiculously small.

The moral is obvious—the inefficient employer ought to be discouraged in the interests both of the wage-earner and the consumer; but the efficient employer should be encouraged, for anything that tends to discourage him, or induce him to exert his energies in other directions, tends to depress the condition of labour and to raise prices to the community.

(*ii*) *Wages and Prices.*—There is an impression abroad that the recent rise in price of the necessaries of life has eliminated a great part of any benefit that the workers have secured owing to their successful efforts to raise wages. It is conceded that wages have risen, but it is pointed out that prices have increased to a greater extent, and that therefore the purchasing power of wages has been adversely affected. Such general statements are usually difficult to confute, but in a little book issued by the Labour Party,† figures are given showing the fluctuations of wages and prices over a period of fifty-seven years—from 1850 to 1907. These figures show that over a short period, say, from 1900 to 1907, prices have risen quite considerably as compared with wages. But if you study the figures carefully you will note that, for some twenty years (1885 to 1905) there was a remarkable fall in prices as compared with those of any period between 1850 and 1880. But if you consider the whole period of fifty-seven years, you notice that, taking the figure 100 as your starting point for both wages and prices, whilst wages have steadily increased from 100 to 181.7, prices over that comparatively long period have, after many fluctuations, returned almost to the level of the year 1850. Nor do these figures tell the whole story; the wage figure only deals with the nominal money wage:

* *The Living Wage, page* 141.

† *The Case for the Labour Party, p.*58. *Cf., Note* B *at end.*

have the real wages of labour increased of recent years? To get at this there must be taken into consideration the whole corpus of what *reactionaries* would call the *Socialistic legislation* passed during the last twenty-five years. From Free Education to Old Age Pensions and Insurance Benefit, a great deal has been done by the community that materially improves the position of the workers, and this should be taken into account when attempting to estimate the condition of labour to-day as compared with that of any previous period.

Yet another point that one would wish to have time to elaborate. Whilst, as I have already shown, higher wages do not necessarily increase the cost of production, higher wages do mean increased demand in many directions for both goods and services; and this increased demand must have a very beneficial effect on all sections of the business world. It has been asserted, and I think with truth, that the payment of old age pensions, bringing with regularity a certain number of five shillings each week to be spent in the small shop in every district in this country, has had an appreciable effect on the present period of prosperity through which we are passing.

(*iii*) *What can the Church do?*—Can the Church hope to effect any good result by attempting a frontal attack on abuses connected with the industrial system? Is any other course possible?

Sometimes indirect methods effect most, or at least bring about the desired result more quickly, and with less friction.

May I for a moment draw your attention to a publication which at first sight may not seem to be very closely connected with our immediate subject? I have been looking through the last report issued by our Medical Officer of Health. The tables of statistics are both remarkable and interesting. One finds that the highest birth and death rates are in our slum districts—the lowest rates in both cases are in districts like Edgbaston. There is, however, a greater net increase of population in the slums than in the more favoured areas. Malthus, in formulating

the *Law of Population*, stated that population will tend to increase up to the level of the means of subsistence. Undoubtedly he stated the law too definitely; it cannot be applied to the community as a whole, but unfortunately it does apply to the lowest class, for their numbers do increase up to the level of a very bare subsistence; and, as a consequence, we get an increasing population of the least desirable section of the community, with a poor standard of living, compelled to accept sweated wages; and worse still, we are confronted by things working in a vicious circle. For the increase in numbers goes on, and the standard of living tends to fall still lower. To prevent this, some people advocate the fixing of a minimum wage by law. I wish the solution were so simple! You may fix a minimum wage: you may say to an employer—you must pay sixpence an hour to these people if you employ them; but what is lost sight of is that you cannot compel the employer to give employment. In other words, a minimum wage in many cases might mean increase of unemployment, loss, destitution and misery. That is why I have but little confidence in legislation in regard to wages.

If you wish to have a better paid, more satisfactorily nourished lowest class, you must begin in another direction. The degraded individual must be raised. That is, no doubt, a difficult thing to accomplish; but it is only by raising the standard of living of the masses that you will ever satisfactorily tackle this important question. An increase of wages by itself, even if possible, would only serve to accentuate the evil in this class. Thus, one sphere of operation for the Church is to work upon the masses with the object of improving their standard of living—try to make them superior to anything approximating to slum life and its demoralising conditions. If this class be once raised and influenced to adopt a higher and progressing standard, the rapid increase in the numbers of the least desirable members of the community will begin to lessen, and will gradually be brought within due limits. You will then have reversed the action of the vicious circle, and improvement may become rapid. The lowest class of the community should, in their own interests, as well as in the

interests of all, be educated to aim at a higher standard of comfort. More difficult this, I own, than passing an Act of Parliament; but while such an Act may remain a dead letter, or even accentuate the trouble, such a policy as I have briefly outlined, if successful, would bring about a permanent cure. The advocates of a legalised living wage and increased Socialistic legislation seem to have taken hold of the wrong end of the stick. If the *Law of Population* be correct, and the Birmingham statistics seem to show that it is, such remedies would merely tend to increase the evil, and our last state will be worse than the first. Raise the standard of living, end the slum and similar conditions: this is the policy of hope. The standard once healthily raised, the tendency will be towards a still higher condition of affairs; such discontent as remains will become healthier, and the whole community will benefit.

Is our Christianity a reality? This is a professedly Christian country—I suppose a majority of the employers, and a great many of the men are nominally Christians. If this be so, and yet on consideration it be admitted that things in the industrial sphere are not as they should be, the first and most obvious duty of the Churches is to try and make this profession a real thing. Three classes of people, *i.e.*, the consumer, the employer, and the employed, should be made to realise their responsibilities.

(*i*) *The Consumer* should be made to feel that in demanding anything that causes the moral or physical degradation of the producer, he is committing grievous sin. Were this once brought home, not only would sweating be discouraged, but so also would all trades which are either physically or morally dangerous.

(*ii*) *The Employer* should be made to feel the necessity of making righteous profits. Does an employer say to himself: Can I, as a Christian, justify this policy I am pursuing, which is calculated to give me a wider market and a greater dividend earning power? Does he remember his Christian profession in all the exigencies of business life? There must also be included with the employer, the shareholders and dividend-takers: are

they content to share without knowing or caring how their dividends are produced ?

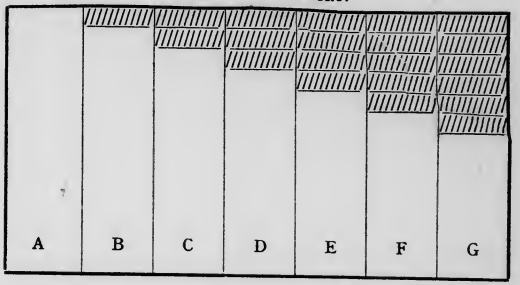
(*iii*) *Labour in all ranks* should be taught the dignity of life and the necessity for maintaining a high and progressing standard of living.

Another sphere of usefulness for the Churches is that of elementary education. Our present system is unsatisfactory in the extreme, nor does it seem practical politics to alter it. Our schools turn out wastrels by the hundred, lads with a minimum of character and moral fibre. Think of the lost opportunity here. The whole of the children of the nation pass through the nation's schools, and during this, the most impressionable period of life, might be moulded into citizens of high ideals and character. At present, to a very great extent, this possibility is allowed to slip past unimproved.

In conclusion, I do not advocate what might be called heroic measures. Let all professing Christians live their religion in truth and in sincerity. Let them endeavour to do right between man and man in their several spheres. Let their efforts be toward raising the degraded and helping them toward a better state of living. Let unworthy antagonisms be dropped, and let the great question of Education be taken up in the right spirit. Then—although the millennium may not burst upon us in five minutes—one feels justified in surmising that could these things be, our City—nay, our whole country—might be transformed within the next decade.

NOTE A.

DIAGRAM SHOWING THE THEORY OF PROFITS IN A STAPLE INDUSTRY.



EXPLANATION :—

Block A indicates the selling price.

Blocks B to G indicate manufacturers of varying degrees of efficiency ; the shaded portions mark profits, the unshaded portions mark the cost of production—selling price being made up of cost of production *plus* profit. (*Note.*—The selling price must be at the same rate for all quantities of a staple commodity sold in the same market.)

Block B indicates what occurs in the case of the least efficient manufacturer : small amount of profit, great cost of production.

Block G indicates low cost of production, comparatively high profit made by the most efficient manufacturer—this high profit being possible owing to the inefficiency of B.

If you could restrict the industry to manufacturers of the highest efficiency (say Blocks F and G in the diagram) the cost to the buyer might be reduced to the white space in Block E—*i.e.*, in this instance would be diminished by nearly one-third. Moreover, if other things remained constant, the greater output required of manufacturers of the F and G class would enable them to manufacture more cheaply—the experience in modern business being, the greater the output, the less the cost.

Note.—Generally speaking, it is the employers of the B class who are sweaters, and employ people under inferior conditions. The employers of G class have well organised, well equipped factories, and know the advantage of treating their workpeople well.

NOTE B.

TABLE OF FIGURES FROM "THE CASE FOR THE LABOUR PARTY."

A Handbook of Facts and Figures for Workers (*page* 58).

WAGES.

"By the use of Index numbers, the Board of Trade have compiled a return showing the course of Wages and Prices of the necessaries of life since 1850. Fixing the rate of wages and average wholesale prices for that year at 100, Wages and Prices for subsequent years are set out in percentage of those prevailing in that year.

Year.	*Wages.*	*Prices.*
1850	100	100
1855	——	131.2
1860	119.2	128.6
1865	127.5	131.2
1870	134.1	124.7
1875	161.4	124.7
1880	148.8	114.3
1885	149.4	93.5
1890	161.3	93.5
1895	159.2	80.5
1900	178.7	97.4
1905	173.3	93.5
1906	175.7	100.0
1907	181.7	103.9"

Note.—The Table ends at 1907. Since then *Wages* showed a decrease of one in 1908, and of the same amount in 1909; during 1910 and 1911 there was a slight rise of about one-half.

Prices went up two and a half in between 1907 and 1908, then remained fairly stationary during 1909; in 1910 they rose about one and a half, since when they have tended to fall.

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